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C O N F I D E N T I A L SECTION 01 OF 02 KUALA LUMPUR 000512

SIPDIS

FOR EAP AND INR

E.O. 12958: DECL: 06/17/2028

TAGS: [PGOV](#) [PINR](#) [KDEM](#) [MY](#)

SUBJECT: UMNO YOUTH OFFICIAL ON HEATED PARTY CONTESTS AND MONEY POLITICS

REF: KUALA LUMPUR 447 - NAJIB AIDE

Classified By: Political Section Chief Mark D. Clark, reason 1.4 (b and d).

Summary

**¶1.** (C) Many UMNO party branches and divisions could nominate a Najib/Muhyiddin ticket despite Prime Minister Abdullah's confirmation that he will stand for reelection in the December party contest, UMNO party youth official Suffian Awang told us on June 17. Eleven candidates would vie seriously for three UMNO vice president slots, while there could be a three-cornered race for the powerful Youth chief position. Suffian stated matter-of-factly that heated party contests would enrich UMNO delegates as candidates would utilize old-style money politics to buy support. End Summary.

Grassroots to Endorse Najib/Muhyiddin

**¶12.** (C) Mohamed Suffian Awang, Youth division leader from Kuantan for the ruling United Malays National Organization (UMNO) party, provided polchief on June 17 with purported "grassroots" perspectives on upcoming UMNO leadership contests. Suffian, who also sits on the UMNO Youth national executive council, anticipated that upcoming UMNO branch elections (July-August) and division elections (October-November) would result in nominations for current Deputy Prime Minister/Deputy UMNO President Najib Tun Razak to replace embattled Abdullah Badawi as party leader, together with nominations for UMNO Vice President Muhyiddin Yassin to fill the number two slot. UMNO divisions would endorse a Najib/Muhyiddin ticket even though PM Abdullah has made it clear he will stand for reelection in UMNO's national elections in December and Najib has publicly reaffirmed his loyalty to Abdullah. "The grassroots will have their say," and support Najib to replace Abdullah, Suffian said, echoing a message we have heard repeatedly, including from Najib's political secretary (reftel).

**¶13.** (C) Suffian emphasized that Muhyiddin in particular has clearly committed himself to gaining election as the UMNO Deputy President "come what may." Suffian also remarked that UMNO veteran leader Tengku Razaleigh's campaign to gain nominations to challenge Abdullah for the UMNO presidency has attracted some grassroots attention, as evidenced by the UMNO crowds Razaleigh has gathered as he tours the country.

**¶14.** (C) Within UMNO, Suffian contended PM Abdullah came in for recent criticism as an inconsistent leader, including the sudden announcement of the fuel price increase which contradicted the government's earlier plan for a price rise

in August. Many in UMNO saw Abdullah's approach to reforms as catering to an opposition agenda, not an UMNO agenda, and there was widespread UMNO dislike of de facto judicial reform Minister Zaid Ibrahim.

Stiff Competition for VP Slots

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¶ 15. (C) Beyond the struggle for party's top two positions, the UMNO election cycle will feature fierce competition for the three elected Vice President slots. Suffian believed there were 11 senior leaders seriously competing for three VP positions at this point, namely five cabinet members (Home Minister Syed Hamid Albar, Education Minister Hishamuddin Hussein, Foreign Minister Rais Yatim, Higher Education Minister Khalid Nordin, and Minister without portfolio Ahmad Zahid Hamidi); Chief Ministers from four states (Ghani Othman of Johor, Ali Rastum of Malacca, Mohamad Hasan of Negeri Sembilan, and Adnan Yaakob of Pahang); and two former Chief Ministers (Shahidan Kassim of Perlis and Abdul Rahim Tamby Chik of Malacca).

Race for Youth Chief

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¶ 16. (C) Suffian said the contest to replace Hishamuddin Hussein as the powerful UMNO Youth chief currently appears to be a three-cornered race featuring Mahathir's son Mukhriz, PM son-in-law Khairy Jamaluddin and former Selangor Chief Minister Khir Toyo. Khir Toyo was positioning himself as a man of the people as opposed to Mukhriz and Khairy whose positions depending on their family connections. Khir Toyo's

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reputation had suffered, however, after UMNO's shocking loss of Selangor state to the opposition parties.

Show Me the Money

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¶ 17. (C) UMNO activists and would-be delegates to the national party elections were ecstatic with this year's stiff competition because it meant that they would collect larger payments from candidates, Suffian stated matter-of-factly. Money politics would be key to candidates' success, Suffian commented, as "this is the way UMNO does business," and UMNO delegates would expect compensation. UMNO politicians from Sabah in particular were known for their willingness to sell their support. Suffian recalled earlier party elections in which delegates took home cars, motorcycles, appliances, stock options in government-linked companies, and pre-paid credit cards, in addition to cash. (Note: Some UMNO delegates at the 2004 national party elections received compensation roughly equivalent to \$95,000 in today's valuation, according to Embassy sources. End Note.)

Comment

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¶ 18. (C) Suffian is not a first-tier UMNO leader but we report his statements as representative of comments we have heard from a number of UMNO voices, particularly those who want to see Najib replace Abdullah by year's end. Najib recently and publicly restated his loyalty to Abdullah and his support for an orderly transition. Najib, however, has not spoken out yet against "grassroots" efforts to nominate a Najib/Muhyiddin ticket for the December elections, efforts that Najib's own camp appears very willing to encourage.

KEITH